

HIGHER EDUCATION

*hefce*

FUNDING COUNCIL

FOR ENGLAND

# BUILDING ON STRENGTH



ANNUAL REPORT 1993-94

# The HEFCE's Mission

The mission of the Higher Education Funding Council for England is to promote the quality and quantity of learning and research in higher education institutions, cost-effectively and with regard to national needs.

The Council's role is to advise the Secretary of State for Education on the funding needs of higher education institutions and to distribute available funds.

The Council in performing this role will:

- encourage institutions to meet the demand from students cost-effectively, while promoting and assessing quality in teaching and research
- encourage diversity in the provision of higher education, a widening of access and greater opportunities
- develop active partnerships with institutions, which fully recognise their autonomy
- encourage institutions to build on their strengths and expand their local, regional, national and international roles
- encourage institutions to support these aims and ensure the effective and efficient use of their funds and assets.



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## Chairman's Introduction

In this report we look at the first year of the HEFCE's life as the single body responsible for funding higher education in England.

There are now 128 universities and colleges in the higher education sector in England; together they demonstrate a remarkable vitality, strength and diversity. They have been successful over recent years in meeting buoyant demand from students, and in widening opportunities. Many have strengthened their research base.

In 1993-94, 30 per cent of all young people benefited from higher education; and the quality of the research in institutions continues to give the UK a leading position in the world research community.

Through their teaching, research and other activities, universities and colleges continue to make a substantial contribution to wealth creation and quality of life, locally, regionally and nationally.

Over the past year, we have all been working within the policy of consolidation introduced by the Government. Its spending plans assume that the proportion of young people entering higher education will remain at the current level for the next three years, before rising to one in three by the year 2000 - the planning assumption in *Higher*

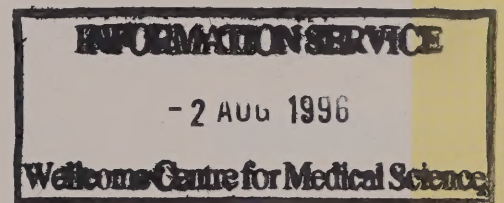
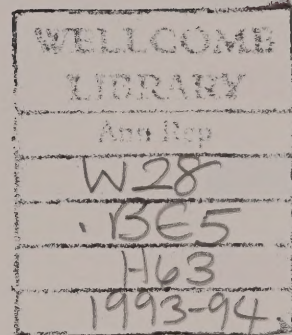
*Education: A New Framework*, the White Paper of May 1991.

The rather abrupt change from growth to consolidation has brought its stresses. Over the past year we have seen it as our role to help institutions, particularly through the academic initiatives covered later in this report, to promote the quality of the learning experience for the present numbers of students and to plan effectively for resumed expansion.

At the same time, we have not lost sight of our first task, as formulated in last year's report by my predecessor, Sir Ron Dearing, to provide a unified funding method which, while dealing even-handedly with institutions, will allow them to pursue their distinctive missions.

In fulfilling this primary function and working in partnership with institutions to promote the quality of learning and research, we have pursued policies which are robust, but also flexible. We have been building on strength, and will continue to do so in this coming year.

*Brandon Gamp*





This report covers the period 1 April 1993 to 31 March 1994.



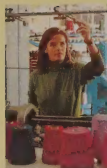
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Throughout this report the term 'funding bodies' is used to denote the Higher Education Funding Council for England (HEFCE), the Scottish Higher Education Funding Council (SHEFC), the Higher Education Funding Council for Wales (HEFCW) and the Department of Education for Northern Ireland (DENI).

The term 'funding councils' denotes HEFCE, SHEFC, and HEFCW.

The term 'institutions' representative bodies' denotes the Committee of Vice-Chancellors and Principals (CVCP) and the Standing Conference of Principals (SCOP).



# Chief Executive's Statement

## *The Challenge of Consolidation*

**After a period of very rapid growth in student numbers, the Government announced in November 1992 that it was seeking a period of consolidation over the next three years.**

Twelve months later the Government asked the Council to reinforce this policy. During the year under review the Council has been required to constrain student numbers to those underlying the Government's expenditure plans for the years 1994-95 to 1996-97. This inevitably took us further into the realms of planning.

In resource terms per student, institutions are facing a cumulative reduction over the next three years of over 10 per cent in real terms.

*Lucy Clarke, a third year student working in the Textile Industries Knitting Laboratory at the University of Leeds, where design ideas are transformed from drawings into fabrics.*



The Council recognises the serious implications of this and will keep the Secretary of State briefed on any adverse consequences.

On a more positive note, we welcome the Secretary of State's decision to increase capital funding for 1995-96 and 1996-97, after a relaxation of the rules on borrowing. There is now a real prospect of providing significant additional funding for estates projects and tackling the serious problem of backlog maintenance.

Within the policy and funding context set by the Government, we have this year enlarged our role as a steering body working with institutions to develop policies and promote good practice, while recognising their autonomy. One of the main themes of this report is that the universities and colleges, with ourselves and the other higher education funding bodies, are making good use of this period of consolidation to improve what they offer to today's students and to prepare for future expansion.

On our side, effort has been concentrated on promoting high quality, cost-effective teaching; funding research selectively, with decisions based principally on quality assessments; and helping to secure the sector's capital base and long-term financial viability.



In teaching, funding is being provided to increase access, particularly for part-time courses which are not covered by the policy on consolidation. In addition, we are supporting a range of projects which develop the use of information technology.

We have introduced a quality assessment programme. It is widely acknowledged in many institutions that the Council's approach is already producing benefits, particularly in emphasising the importance of students' learning experience and achievements. Nonetheless, there is room for improvement of the method and, as we undertook from the outset, we are currently reviewing it in consultation with the sector.

In the area of research, we have consulted widely, together with the other funding bodies, on the conduct of the next assessment exercise due in 1996. We are introducing, after consultation, greater accountability in the use of research funds received from the Council. We have also introduced an element in the funding mechanism to encourage generic research in response to the theme of wealth creation in the Government's White Paper *Realising Our Potential*.

Last year saw the publication of two major reviews initiated by the HEFCE in partnership with the other funding bodies and the institutions'



*Students at the Royal Northern College of Music staged a production of Benjamin Britten's 'A Midsummer Night's Dream'.*

representative organisations. The Joint Funding Councils' Libraries Review Group, chaired by Professor Sir Brian Follett, produced a much-needed and realistic appraisal of the future role, management and funding of libraries and information services. This report has set the agenda for the development of libraries over the next decade.

A Committee of Enquiry under Lord Flowers made recommendations on the organisation of the academic year, which will allow institutions to make better use of their resources and plan more effectively for expansion.

The achievements of 1993-94 represent a further strengthening of the partnership between the institutions and the Council, in building sound and coherent policies. As before, the Council's contribution would not be possible without the continued commitment and professionalism of its staff.



# Recurrent Funding for 1994-95



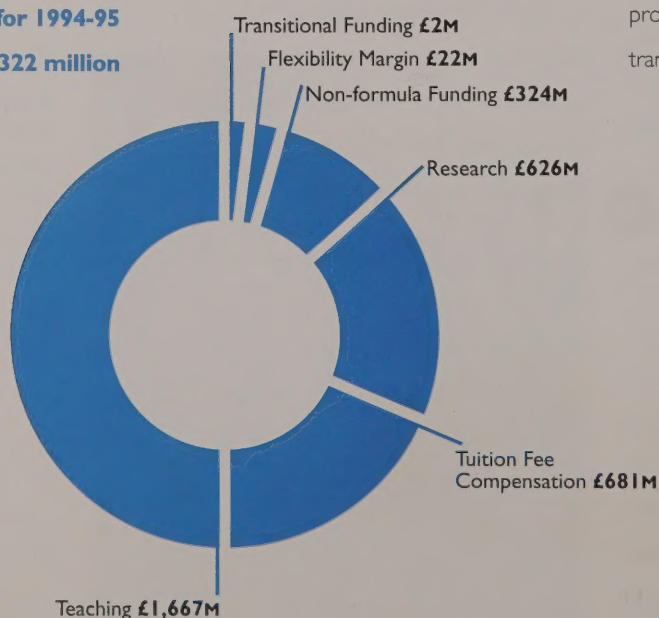
**The Council provides funds to 128 higher education institutions and 75 further education colleges providing courses of higher education. The HEFCE is the largest single source of funding for higher education in England. Funds are provided in exchange for teaching and research and are conditional upon their delivery.**

In March 1994 the Council announced the distribution of £3,322 million to support teaching and research, in the period 1 August 1994 to 31 July 1995. This consists of £2,641 million in recurrent funding and a further £681 million to compensate institutions for the 45 per cent reduction in tuition fee levels announced by the Secretary of State for Education on 30 November 1993.

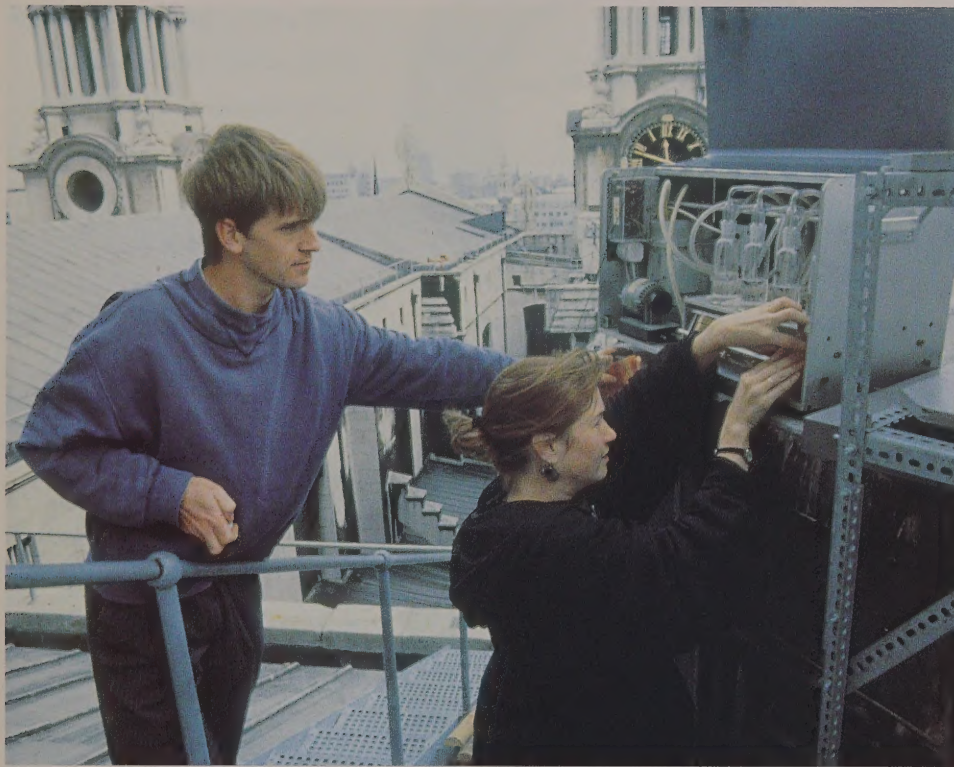
Funds for teaching and research are allocated by formulae and are distributed as block grant, which institutions can spend at their own discretion. The funding methods, described in the 1992-93 report, were agreed by the Council after full consultation. Their transparency provides institutions with an open and fair basis for planning.

The Council's policy is not to impose unmanageable rates of change on institutions. Funding for 1994-95 provides all institutions with an increase of at least 1 per cent in cash terms over the equivalent amounts in 1993-94, with an average increase in total funding of 4.5 per cent. Under the funding formulae, 15 institutions would have received a cash increase of less than 1 per cent; to help them manage changing circumstances, the Council has provided a total of £2 million in transitional funding.

**Elements of Recurrent  
Funding for 1994-95  
totalling £3,322 million**







*Kate Aldridge and Keith Vincent, research students in the Urban Pollution Centre at Middlesex University measuring levels of air pollution on the roof of St Paul's Cathedral. The Centre has recently been awarded £550,000 by the European Community to examine the impact of air pollution on historical buildings.*



Part of the recurrent resources distributed to institutions is in the form of non-formula funding to support aspects of teaching and research which cannot be adequately supported through formula funding. In 1994-95 the Council will distribute £324 million in non-formula funding for a wide range of purposes including London extra costs; inherited liabilities from local education authorities; copyright libraries; museums; galleries and collections and special initiatives.

# Support for Teaching

The framework for the 1994-95 funding round has been provided by the Government. The Council is required to constrain the student numbers to those assumed in the Government's expenditure plans for higher education for the next three years.



*Medical students Kate Irwin and John Frater from the London Hospital Medical College working with a young patient in the children's wing of the Royal London Hospital.*



While working within this framework, the Council wishes to provide stability and promote efficiency, as well as continuing to encourage institutions to maintain and improve the quality of education.

According to the Government's plans the number of full-time equivalent students in 1994-95 is expected to grow by 7.2 per cent to 941,000 from a total of 878,000 in 1993-94. These figures represent full-and part-time undergraduate and postgraduate students funded by the Council, who totalled 1.1 million in actual numbers in 1993-94.

Total student numbers for the academic year 1994-95 funded by the Council are:

	Undergraduate/ Postgraduate Taught	Postgraduate Research
<b>Full-time and Sandwich</b>		
Core	721,995	23,764
Margin	2,030	0
<b>Part-time</b>		
Core	334,621	20,004
Margin	11,070	653

Full-time equivalent student numbers to be funded by the Council, as announced in the Autumn Statement, November 1993.

Financial Years	93-94	94-95	95-96	96-97
Full-time equivalent students	878,000	941,000	963,000	968,000
Percentage year on year change	13.0	7.2	2.3	0.5



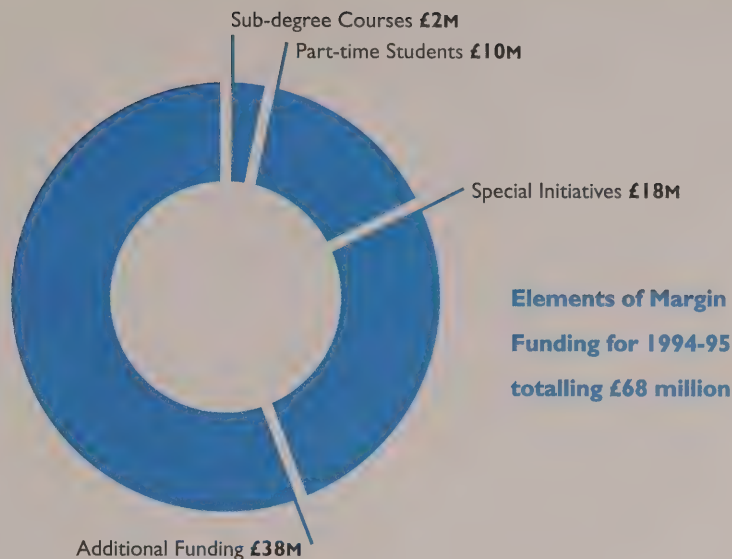
## Core Funding

Core funding provides institutions with a high degree of stability from year to year. For 1994-95 the Council is providing £1,667 million for teaching, of which £1,599 million is core funding. Core funding guarantees institutions a very high percentage of their previous year's funding as long as they achieve their contracted student numbers.

Core funding for 1994-95 shows an average increase of 2 per cent over 1993-94. Given the Government's inflation assumption for 1994-95 at the time of the Budget of 4 per cent, this implied an average reduction in funding of 2 per cent in real terms. (Since the Budget, the Government has reduced its inflation assumption to 3 per cent.)

## Margin Funding

Margin funding provides institutions with resources for growth, increasing access and improving opportunities for students. Because of the Government's policy of consolidation, no margin funding is being provided for additional full-time places for 1994-95, except in medical education and initial teacher training where annual intake targets are determined by the Government. As there has been no such restriction on part-time student numbers, the Council is providing margin funding to promote their growth.



For 1994-95 the Council is providing £68 million in margin funding. Of this £10 million will directly fund growth in numbers of part-time students, particularly in science, engineering and technology.

£2 million is to be provided to encourage institutions to develop sub-degree courses.

A total of £18 million has been earmarked for special initiatives, consisting of £15 million for developments arising from the Review of Libraries and the Review of the Academic Year and £3 million to support projects helping students with special needs.

For 1994-95 only the Council is providing an additional £38 million which institutions can use in preparation for the period of renewed expansion expected to begin in 1997-98. This sum, which is being distributed to institutions on a pro-rata basis, can be used at their discretion to support academic initiatives including, for example, increased library and study facilities.



*Designs by Matthew Williamson were displayed at a fashion show at the Business Design Centre, London. Matthew, a fashion print student at the London Institute's Central St Martins College of Art and Design, was influenced by working with Zandra Rhodes and travelling in Mexico during his four year course.*



## ***Reinforcing Consolidation***

Institutions receive public funding for teaching from the Council and through tuition fees. The total sum depends on the number of students they recruit. For 1994-95 the Government reduced tuition fee levels by 45 per cent, but provided the Council with £707 million to distribute in compensation.

To reinforce the Government's policy of consolidation, the Council has been required to set upper limits for numbers of students receiving publicly funded tuition fees (award holders) for each institution. The upper limit is expressed as a maximum aggregate student number (MASN). The MASN total represents the number of award holders for which the Council has received funds from the Government.

The Government's plans assume a 3.5 per cent reduction in new entrants in 1994-95. Despite this the total number of student award holders is expected to increase from 691,000 in 1993-94 to 744,000 in 1994-95, because the growth in intakes in earlier years is rolled forward to the second and subsequent years of undergraduate courses.

The resources an institution can expect to receive in tuition fees and tuition fee compensation will be strictly limited by the MASN. However, the Council has made an allowance of 1 per cent up to which institutions will be able to recruit

above the MASN, but for which they will receive tuition fee compensation from the Council. Recruitment beyond this level will give rise to a financial penalty.

In calculating MASNs the Council has taken into account growth in intakes of new students in recent years (in-built growth); the extent to which each institution responded to the Government's message of consolidation in 1993; and the need to protect growth in science and technology.

The effect of introducing MASNs will guarantee all institutions at least the same number of total students in 1994-95 as in 1993-94. Some will be able to increase their total numbers by more than 10 per cent, depending on their levels of in-built growth.

## ***Continuing Education***

Continuing education offers opportunities for people to study in higher education throughout their lives, provides for professional development and vocational training and is a vital ingredient in increasing access.

The Council inherited different systems for funding continuing education from the Universities Funding Council (UFC), Polytechnics and Colleges Funding Council (PCFC) and Department for Education (DFE), but after consultation a new approach has



been agreed which takes account of these different traditions and the diversity of the sector.

From 1995-96 onwards, study leading to awards and credits will be provided for in the part-time funding method for teaching, making continuing education a central element of higher education provision.

Wherever possible, courses which do not contribute to an award should be reorganised so that they do so.

Funding will continue to be available for non award-bearing courses through a separate bidding process. Funding will also be available through a bidding process for developing continuing vocational education.

## ***Medical Education***

Medical education (including dentistry) and initial teacher training (ITT) are the two academic subjects for which annual intake targets are determined by the Government.

After the Government's acceptance of the Medical Manpower Standing Advisory Committee's recommendation that UK medical intakes should be increased from 1994-95 onwards, the Council revised undergraduate intake targets from 3,051 to 3,315 for the relevant universities.

In addition, the Council is working with the multi-faculty colleges and

free-standing medical schools in London to secure the mergers recommended in the Tomlinson Report.

## ***Initial Teacher Training***

In seeking to achieve a broad balance between teacher supply and demand, the DFE has increased intake targets for secondary ITT and reduced those for primary ITT.

The Council allocated most of the growth in secondary ITT numbers on the basis of proposals received from institutions. Primary ITT numbers were allocated by formula with a view to maintaining as closely as possible total primary ITT student numbers at each institution.

The Council has allocated £6 million for 1994-95 to help institutions adapt existing courses to meet the Secretary of State's revised criteria for primary courses. These criteria include an increasing partnership in teacher training between higher education institutions and schools themselves.

The sum of £6 million was allocated in both 1992-93 and 1993-94 to assist with the transition to the new secondary course criteria.

The Council also responded formally to the Government's *Proposals for the Reform of Initial Teacher Training*, involving the creation of a Teacher Training Agency.



# Quality Assessment

**The Council has a statutory duty to secure that provision is made for assessing the quality of education in institutions whose activities it funds.**

A Quality Assessment Committee (QAC) advises the Council on its statutory responsibilities and the Council's Quality Assessment Division (QAD) runs the assessment programme.

The development of the method for assessing the quality of education involved pilot and test assessments and wide consultation. In 1993-94 the Council assessed eight subjects, representing about a quarter of the total higher education provision in England. The cost of the assessment programme to the Council during the year was £3 million.

quality; to encourage improvements in the quality of education; and to inform funding and reward excellence.

The assessment process begins with institutional self-assessment in each subject to be assessed. This is supported by statistical indicators. It is central to the system that assessments are made in relation to each institution's mission, and the subject's aims and objectives.

After analysis of the institutional self-assessment, a team of assessors may then make a visit to the institution to see the teaching and learning in the subject being assessed, and to meet staff and students.

A judgement is made on the quality of education in one of three assessment categories: excellent, satisfactory and unsatisfactory.

No judgements of 'excellent' or 'unsatisfactory' are made without a visit.

## Implementation

The QAD was supported by 32 contract and 400 subject specialist assessors who were recruited on a part-time basis for the first eight subjects. Most assessors come from higher education institutions, with others drawn from commerce, industry and professional bodies. Training for assessors is provided



*Law student George Ehoru taking part in a moot competition at Nene College.*

## Assessment Method

The Council's aims are to ensure that all education is of at least satisfactory



by members of the CVCP's Universities' Staff Development Unit and HEFCE staff.

The first four subjects assessed were chemistry, history, law and mechanical engineering. A total of 296 self-assessments in these subjects were received and analysed in April and May 1993. In the summer term 1993 assessment visits began, and 158 were completed by February 1994. The great majority of visits were carried out on the basis of identification of a *prima facie* case for excellence. Half of these visits led to a final judgement of excellent.

The second group of four subjects assessed were applied social work, architecture, business and management studies, and computer science/studies. Altogether 293 self-assessments were received in July 1993, and some 147 assessment visits will have been carried out by November 1994.

Seven subjects are to be assessed between May 1994 and March 1995: anthropology, English, environmental studies, geography, geology, music and social policy and administration.

## ***Development of the Method***

The Council undertook to review the operation of the method at the end of 1993.

The review consisted of a number of elements, including written evaluations by assessors of their experiences on assessment visits, institutional feedback on the conduct and outcomes of the assessments, and monitoring carried out by the QAC and QAD.

In addition, in April 1994 the Council published a report commissioned from the Centre for Higher Education Studies (CHES) in the Institute of Education, University of London, entitled *Assessment of the Quality of Education: A Review and Evaluation*.

The CHES report confirmed that quality assessment is regarded in higher education institutions as a justifiable undertaking, which is already producing benefits. The authors also reflected the view shared by the Council and the sector that the current method could be improved.

The Council has begun to consult higher education institutions and others on further development of the method in the light of the review. Two key issues are the proportion of providers visited in each subject and the number of points on the assessment scale.



# Support for Research

**The Council is committed to promoting excellence in research and is distributing funds with increasing selectivity.**

Funding is allocated both to provide stability, thus enabling institutions to establish the long-term strategies essential for the attainment and maintenance of excellence, and, at the same time, to encourage the development of specialist strength in institutions without a wide research base.

HEFCE funding is a major component of the 'dual support' system, by which institutions receive general funds from the Council and project grants from the Research Councils and other bodies.

Long-term stability is necessary for the maintenance of effective research. HEFCE funds cover a proportion of the costs of permanent academic staff and the premises required for research.

Institutions use Council funding to undertake speculative and innovative research at their discretion and take work to a point where it is sufficiently defined to attract other sources of funding. This basic research forms the foundation for strategic and applied work, much of which is later supported by other Government funds, charities, industry and commerce.

Council funding contributes to some of the infrastructure costs of training research students, and provides resources which support new and young entrants to the academic community while they are establishing their research credentials.



*The central tracking chamber of the ZEUS experiment on the HERA accelerator at DESY in Hamburg was constructed at the University of Oxford. The facility is used to study the sub-structure of the proton and the nature of weak interaction.*



**Funding for 1994-95**

The Council is providing £626 million for research in 1994-95, which represents a 4 per cent increase on 1993-94. In view of the estimate for inflation of 4 per cent, this implies level funding in real terms.

Research funding is allocated to institutions under four headings.

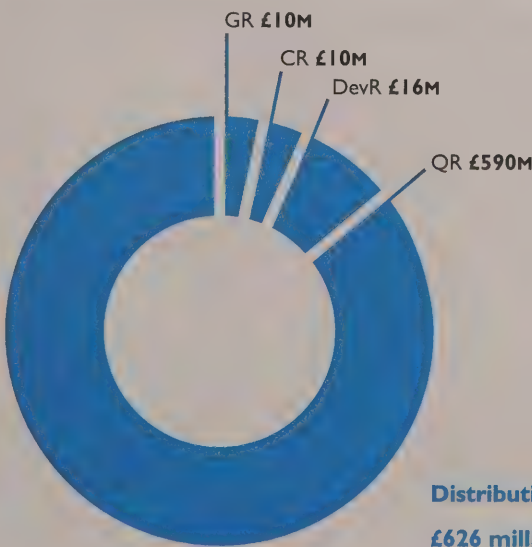
QR funding of £590 million is allocated according to research quality and represents 94 per cent of total research funding. The amount which a particular institution receives will depend on its performance in the 1992 Research Assessment Exercise, in which the quality and amount of research was assessed in each of 72 subject-based units.

DevR funding of £16 million fosters research potential in institutions which had not previously been funded for research.

CR funding of £10 million rewards success in securing contract research income from industry and commerce.

GR funding of £10 million encourages generic research in collaboration with external sponsors.

The Council has reviewed the total sums allocated to subject-based units of assessment, and is now establishing an average unit of resource in each of four subject families (clinical, science and technology-based, non-science and technology-based, and education). Over the next three years the levels of funding in each unit of assessment will be realigned within a band around the average in each family.



**Distribution of  
£626 million for  
research for 1994-95**



### **Wealth Creation**

The Council's funding method for 1993-94 recognised academic-industry collaboration through CR. However, the Council has reassessed CR in response to the theme of wealth creation in the Science and Technology White Paper *Realising Our Potential*. The White Paper distinguishes between specific applied research and generic research, which may benefit a wide group of firms or society generally.



*Dr Jackie Johnson of Liverpool John Moores University and her husband Professor Charles Johnson of the University of Liverpool are collaborating on a project using the Mössbauer Spectroscopy technique which may lead to further improvements in the purity and clarity of glass for manufacturers Pilkington.*

The Council decided to encourage generic research by introducing a new element, GR, in the funding mechanism, which will replace CR over a two-year period. Generic research is defined as 'collaborative research which will lead to a range and diversity of applications - such as will be relevant to a range of customers, but without probability of appropriation or capture by any one customer in particular'.

The Council will allocate GR funding later in the year after consulting on the distribution method. It is expected that the £10 million made available for CR in 1994-95 will be transferred to GR in 1995-96 with the disappearance of CR.

### **Research Capping**

The Council decided that, given the substantial increases in certain cases in QR funding, the full effects should be phased in over a period. Increases in QR allocations for 1994-95 have therefore been capped in a number of institutions.

1994-95 will be the second year of the cap for seven former UFC-funded institutions, where the cap has been set at 7.5 per cent compared with 15 per cent for 1993-94. For those institutions affected, this is equivalent to the cap being raised to 23.6 per cent compared with the 1992-93 baseline.

For 1994-95, the cap is also being applied to 15 former PCFC-funded and DFE-funded institutions for the first time, largely because of changes in the amount of funding allocated to different units of assessment. There will be a 15 per cent cap on increases in QR funding for these institutions.



The funds released by the operation of these caps are being redistributed to all other institutions in receipt of QR funding.

## **Research Accountability**

After consultation with the institutions and the Research Councils, the HEFCE is introducing arrangements requiring universities and colleges to provide greater accountability for the use of the research funds they receive from the Council.

The new approach adopted by the Council is the one overwhelmingly favoured by the institutions. It requires them to report how they distributed the Council's grant allocated for research, rather than seeking to measure actual expenditure of the grant. This form of reporting provides the most detailed level of accountability which can be achieved short of introducing systems of reporting details of expenditure, including accounting for staff time.

## **Research Assessment**

The next Research Assessment Exercise will be conducted in 1996. It will be the first to be undertaken by the four funding bodies.

The funding bodies consulted institutions, professional and learned bodies, subject associations and other interested bodies on the conduct of the Exercise, which will produce research ratings to be used by the funding bodies in determining grant for research with effect from 1997-98.



*Research into drug culture, led by Louise Ridley, lecturer in criminology at the University of Teesside, is one of the youth related areas of research being undertaken by the University.*



# Developing Academic Initiatives

**Institutions are showing considerable enterprise in developing academic initiatives. The Council, acting in partnership with the sector and the other funding bodies, has a key role to play in promoting and supporting these developments during the period of consolidation in order to improve facilities for existing students and staff and prepare for future expansion.**

The Council has demonstrated its commitment to maximising the benefits which information technology can provide by supporting a wide range of developments, including the expansion of the Teaching and Learning Technology Programme.

The Council has indicated that it will make a major commitment to the development of libraries and information services, after the publication of the report of the Joint Funding Councils Libraries Review Group.

The Council is also consulting institutions on new arrangements affecting the structure and organisation of the academic year. This follows the publication of the report of the Committee of Enquiry, chaired by Lord Flowers.

## *Information Systems*

The Joint Information Systems Committee (JISC) advises the UK funding bodies on information technology systems. This year the funding councils have approved a total budget of £32 million for JISC, including the HEFCE's contribution of £27 million.

The major activity supported and funded by JISC is the development and maintenance of the Joint Academic Network (JANET), a vital IT infrastructure for higher education and the research councils. JANET provides almost all institutions with high quality remote-access computing facilities, information services, data transportation and electronic mail.

Over 50,000 computers at more than 200 sites are linked into the system which also serves industry, thus promoting collaborative work. JANET, which from 1 April 1994 has been managed on behalf of JISC by UKERNA, a non-profit company, is still growing and has links to many countries in all five continents.

This year there has also been further development, in collaboration with British Telecom, of SuperJANET, a very much faster network which is capable of handling real-time multimedia traffic and the transmission of sound and video. It is already connected to 55 sites, with this number set to double over the next





three years. SuperJANET promises significant innovation in many areas, including distance learning and collaborative research.

JISC has also set up an Information Strategies Steering Group with a particular emphasis on the identification of best practice.

### ***Teaching and Learning Technology Programme***

The Teaching and Learning Technology Programme (TLTP) aims to make teaching and learning more productive and efficient by harnessing modern technology.

The TLTP was set up by the UFC in 1992 with support for 43 projects. In August 1993 the funding bodies selected a further 33 projects for funding in the second phase of the programme. The cost of the second phase was £3.75 million in 1993-94.

Consortia of academic staff from different institutions are working on TLTP projects over a wide range of subjects. Projects are focusing on new ways to deliver courses and enhance students' learning, using the wide range of computer-based technologies now widely available.

Each phase of the programme is scheduled to run for up to three years. The funding bodies have agreed to fund the programme for the full term subject to a review of the funds available in 1994-95 and 1995-96.

The Teaching and Learning Technology Programme Advisory Group, which advises the funding councils on the development of the TLTP, has taken over responsibility for the Computers in Teaching Initiative (CTI), which will continue to be supported.

The Advisory Group considers that the 20 CTI centres will play a crucial role in making TLTP products available to universities and colleges.



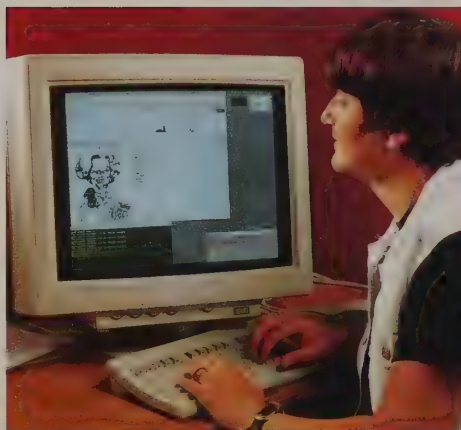
*The Learning Resources Centre at Thames Valley University opened in October 1993. The Centre, which was partly funded by the HEFCE, brings together an extensive range of audio-visual materials, on-line and CD-ROM access, literature, a media shop, computer work stations and study facilities.*

## ***Equipment***

A total of £210 million will be spent by the Council on funding capital equipment in 1994-95 - a 3 per cent increase in cash terms over last year. The funds will be allocated according to the method agreed in 1993.

The Council has adopted a broad definition of equipment, and grant may be used for the purchases of all assets, apart from land and buildings, which will have a life of 12 months or more and which are used for teaching, research or administration.

*An on-line computer system developed by Dr John Bovey, lecturer at the University of Kent, enables the University's Centre for the Study of Cartoon and Caricature to store and catalogue 80,000 images. Staff can access the archive more effectively using the new system.*



## ***Libraries Review***

The HEFCE recognises that libraries play a central part in the life of universities and colleges. In December 1993 the Council, in association with the other funding bodies, published a report into the role of libraries produced by the Joint Funding Councils' Libraries Review Group, chaired by Professor Sir Brian Follett, a Council member and Vice-Chancellor of Warwick University.

The review covered the management of libraries and information services, the needs of teaching and research and the role of information technology, and has stimulated considerable debate. The proposals are practical and designed to achieve maximum benefit. They concentrate on the need for major change, while building on the existing strengths and substantial achievements of libraries in higher education.

The review revealed mounting pressures on libraries. There are serious shortfalls in space and materials in many areas: while student numbers have grown by about 70 per cent in the last six years, space for readers has scarcely increased at all.

The Review Group estimates that it will cost £140 million to provide adequate spaces: the funding councils should provide £50 million, with the institutions themselves finding the rest.

The Review Group sees information technology presenting major opportunities for library users and library management over the next decade. It proposes that the funding councils should jointly invest about £20 million over three years to further the selective use of IT. Provision for developing IT for libraries has been made in the budget for JISC for 1994-95.



The Council, while indicating its support for many of the proposals, consulted institutions before reaching decisions on other aspects of the report.

## ***Organisation of the Academic Year***

In 1992, in partnership with the CVCP, SCOP, HEFCW and DENI, the Council set up a Committee of Enquiry, chaired by Lord Flowers, to examine the way the academic year is structured and organised.

The final report of the Committee was published in November 1993. Its recommendations are wide-ranging, but concentrate on two issues: the organisation of the undergraduate teaching year and the use of the summer period for the extension of undergraduate teaching.

For those institutions wishing to operate a semester system, the Committee recommends two semesters each of 15 weeks duration, with the first semester completed by Christmas. This model, involving an early start to the academic year, is one which the majority of institutions are moving or hoping to move towards, according to informal surveys conducted by the CVCP and SCOP.

A two-semester system would leave a long unbroken summer period.

Institutions which wanted to, and had the capacity to do so, could use this period to extend the undergraduate teaching year by introducing a third full semester.

A three-semester year would allow staggered patterns of student attendance and provide opportunities to increase student numbers by up to 50 per cent within existing premises. The Committee explored the implications of an extended undergraduate teaching year for academic organisation, staff, students, premises and funding.

The Council agreed to join CVCP, SCOP, HEFCW and DENI in consulting the sector on the report's recommendations. Responses to this consultation will be used by the Council in drawing up plans for a pilot programme of support for the use of the summer period from 1997-98.



*Two year old Blaine McQuillan, who is blind, gets to grips with a sensory 'bubble tube' built by students from the School of Education at the University of Sunderland. The tube is designed to enhance the sensory perceptions of children with special needs at the Stannington Centre in Sunderland.*



# Strengthening the Estate

**The Council's estate policy is designed to assist universities and colleges in securing their capital base and encourage them to plan for the future.**

The policy aims to help institutions make the best use of existing buildings and develop institutional estate strategies. The Council also supports measures to encourage private investment in higher education.

The Council allocates estate funds through a mixture of formula-based and specific project funding.

## ***Formula-based Estate Funds***

For 1994-95 a total of £22 million will be allocated in formula-based funds for institutions to spend on estate projects at their own discretion. The formula consists of a minimum component set at £20,000 per institution for 1994-95, and components to reflect teaching and research activities.

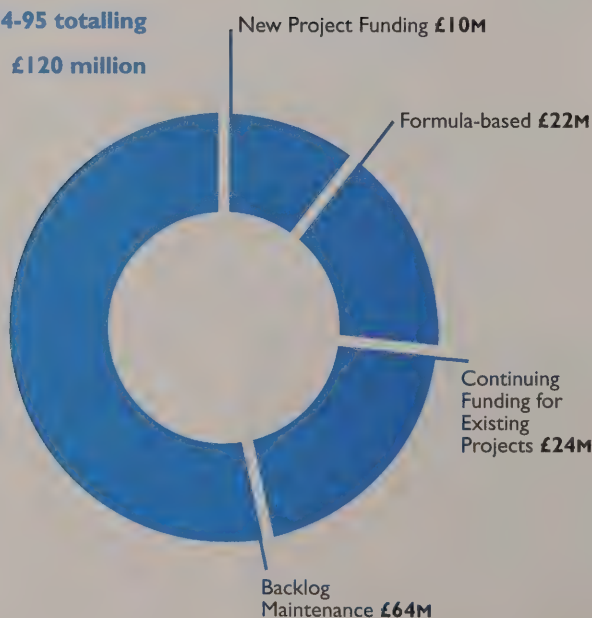
## ***Project Funding***

For 1994-95 the Council has allocated £10 million for 34 new projects in response to bids from institutions. Council funding for projects due to start in 1994-95 will continue over a three-year period, the total amounting to £40 million.

The schemes which won project funding for 1994-95 offered greater flexibility in the use of space for teaching, provided much-needed additional central facilities such as library accommodation, or replaced buildings which were expensive to run and no longer fit for their purpose.

The Council typically covers between 25 per cent and 50 per cent of a project's total cost.

**Estate Funds for  
1994-95 totalling  
£120 million**





### ***Backlog Maintenance***

The HEFCE inherited a programme of backlog maintenance and in 1994-95 will provide £64 million for the highest-priority work identified in surveys initiated by the UFC and PCFC.

### ***Future Capital Funding***

The Council welcomed increases in capital funding for 1995-96 and 1996-97 announced by the Secretary of State.

Capital funds for the financial year 1995-96 have been set at £381 million and at £424 million for 1996-97, including capital funding for equipment. These increases are intended to meet the growth in student numbers in recent years and later in the decade, and to provide for the needs of reorganisation of medical education and research in London after the Tomlinson Report.

### ***Financial Vehicle Company***

The Council has been involved in preparatory work to set up a financial vehicle company which will attract fixed-rate investment to fund capital projects over a long-term repayment period. Such a company will help institutions to take advantage of their increased flexibility to borrow from private sources.

The funding bodies, in partnership with the CVCP and SCOP, have appointed European Capital in association with Trowers and Hamlin to prepare a blueprint as a first step, as recommended in a report *Private Sector Funding in Higher Education*, commissioned from Professor Andrew Bain. The financial vehicle company will be owned by the institutions and raise funds from the capital market by means of bond issues.



*The School of Engineering and Manufacture, Queen's Building at De Montfort University, was opened in December 1993. The building was partly funded with a grant of £8.8 million from the HEFCE.*

# Promoting Financial Health and Accountability

**Institutions are autonomous bodies,  
responsible for managing their own affairs.  
They are raising increasing amounts of  
money from sources other than the Council.  
This gives them scope to pursue policies  
alongside the activities for which they  
receive Council funds.**

## ***Financial Memorandum***

The Financial Memorandum between the Council and each institution is in two parts. The first part is common to all institutions and sets out the financial framework within which institutions are expected to operate and the conditions which govern the use of Council funds. The second part is the annual agreement between each institution and the Council, describing what the institution is required to deliver in exchange for funding. The Council can withhold part of the funding if an institution fails to attract the number of students specified in the agreement.

## ***Financial Reporting***

The institutions, through their representative bodies and in partnership with the funding councils, have developed a standard for annual financial statements. *The Statement of Recommended Practice: Accounting for Higher Education Institutions* is to be introduced for the 1994-95 academic year.

## ***Financial Monitoring***

The Council monitors the financial health of institutions to ensure that institutions continue to provide, in the long-term, the teaching and research





for which funding has been provided, and to advise the Secretary of State for Education on the funding needs of the sector.

When the Council considers there are concerns over the financial health of an institution and consequently to the delivery of teaching and research, it requires the institution to take remedial action. Additional monitoring is put in place where necessary until the financial health of the institution is restored to the Council's satisfaction.

The Council keeps its financial monitoring processes under review.



*Students studying the control and measurement of river flow in the hydraulics laboratory at the University of Birmingham.*



# Strengthening Institutional Management

**The Council is working in partnership with institutions to improve management and promote good practice. The Council's Audit Service is increasingly looked on by the sector as a source of valuable advice on good practice. This is a role the Council is keen to develop.**

## ***The Role of Audit***

The Audit Service has three main responsibilities. It gives the Chief Executive an assurance on all control arrangements, financial and otherwise, for both the sector and the Council itself. It promotes good management practice and value for money in the institutions and the

Council. Finally, it provides support and advice on all audit matters in higher education.

A new Audit Code of Practice, setting out the audit arrangements within higher education, came into effect on 1 August 1993, after wide consultation.

The Audit Service is required to gain an overview of the sector's management controls. During 1993-94 it made 47 visits to institutions and it was able to make recommendations for improving cash-flow, forecasting, project management and computer disaster recovery plans.

*Scientists in the Low Temperature Physics Group at Lancaster University created the coldest place on earth in July 1993 by freezing a piece of copper to within seven millionths of a degree of absolute zero.*



### ***Value for money***

The funding bodies have established a Value for Money Steering Group, chaired by Professor Tom Husband, Vice-Chancellor of the University of Salford. It will advise on sector-wide initiatives and exchanges of information.

The Council has worked closely with the institutions to improve purchasing practice and has funded a number of projects, including the publication of two guides on good management of purchasing, five regional workshops to develop ideas in the guides and a pilot scheme comparing the price paid for a basket of goods at 15 institutions.

### ***Management Statistics and Performance Indicators***

The funding councils established a Joint Performance Indicators Working Group, chaired by Professor Michael Sterling, Vice-Chancellor of Brunel University. The Working Group has established four sub-groups covering research, financial health, estate management and teaching.

Management statistics and performance indicators will be used by institutions, both for internal management purposes and for external comparison. The Working Group will consult the sector on a possible range of indicators before making a final report to the funding councils.

### ***Information Systems***

The Management and Administrative Computing Initiative aims to encourage effective administrative and financial systems for the management of universities. The initiative, which was launched by the UFC, is now coming to fruition and a number of applications are being put into productive use by many institutions.

JISC is studying the requirements of institutions not previously funded by the UFC on behalf of the three funding councils.





# The Higher Education Sector

**One of the most important features of the higher education sector in England is its diversity. Higher education institutions receiving funding from the HEFCE have a remarkable range of backgrounds and missions.**

The Council, in applying its funding methods and in its dealings with individual institutions, seeks to take their diversity fully into account so that the breadth and richness of choice and opportunity they represent can be maintained and developed.

The Council funds education, research and associated activities at a total of 128 institutions of higher education - 72 universities, the eight directly-funded schools of the University of London and 48 colleges of higher education. In order to illustrate the diversity of the sector in this section, 14 schools of the University of London, which from

1995-96 are to be funded directly, have also been separately identified.

## Size

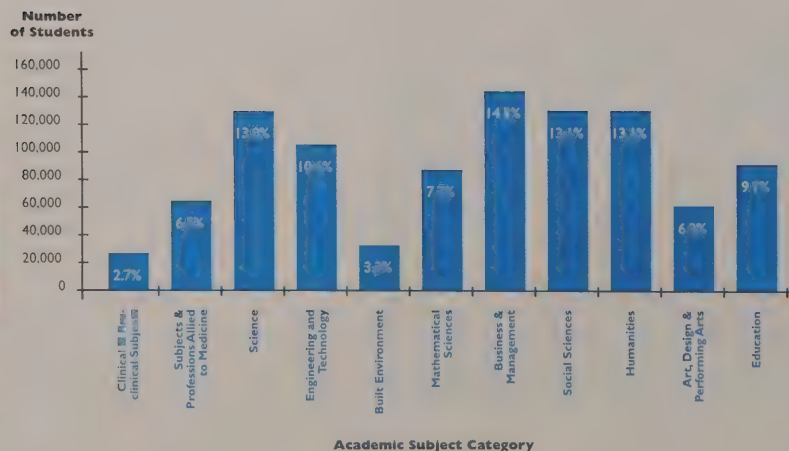
Table 1 shows the distribution of the 983,175 students in higher education in 1993-94 by academic subject category (ASC). They are studying in institutions which vary enormously in size. Table 2 shows the wide range of institutional sizes. By far the largest is the Open University, with 107,000 part-time students mainly studying through distance learning.

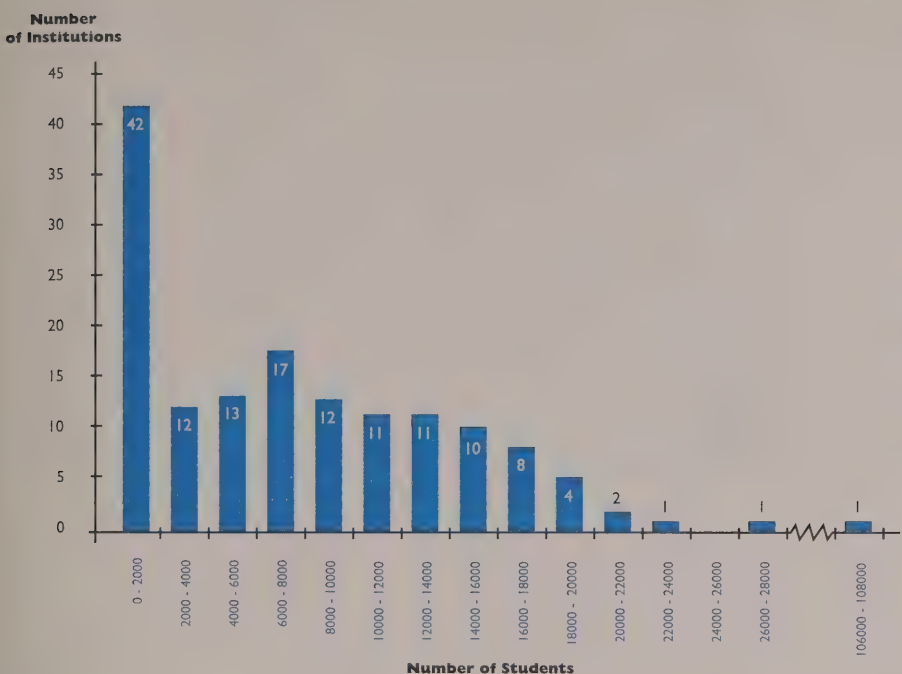
There are 10 university institutions, all formerly funded by the UFC, offering the full range of 11 ASCs, and a further 43 multi-faculty institutions, including some formerly funded by the PCFC, offering teaching and research in 10 ASCs. These multi-faculty institutions have between 7,000 and 27,000 students.

There are 42 institutions with less than 2,000 students. Of these, 17 are specialist colleges offering courses in one ASC such as education, music, art and design, business and management, and medicine.

16 institutions were established by church bodies to provide teacher education. Although in most cases they have diversified their subject provision extensively and have expanded their student numbers rapidly in recent years, they remain

**TABLE 1**  
**Distribution of**  
**Students by Academic**  
**Subject Category**





**TABLE 2**  
**Distribution of Sizes**  
**of Higher Education**  
**Institutions**

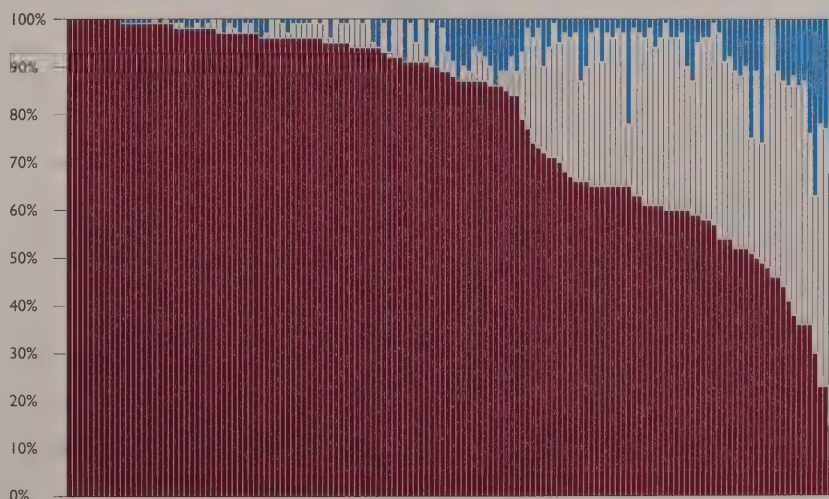
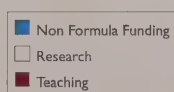
committed to teacher and professional education, predominantly in the caring professions.

### Mission

Institutions in the sector are differentiated by their distinctive missions. Many of the older established universities are committed to maintaining and developing world-class research in a range of subjects. Funding provided by the Council, which is distributed with increasing selectivity, supports their aims. In 1994-95 the Council will distribute £626 million in research funding. In 1994-95 41 institutions will share 90 per cent of the available funds. Table 3 shows the distribution by institution of Council funding for teaching, research and through non-formula funding. Non-formula funding is intended to provide for activities which fall outside the normal requirements of teaching and

research or which are a consequence of special circumstances.

The Council is also supporting a large number of institutions which are developing specialist research strengths in a more limited number of fields. A total of 56 institutions, some of which received virtually no research funding before 1993-94, will receive up to 10 per cent of their total recurrent income in research funding in 1994-95 from the Council.

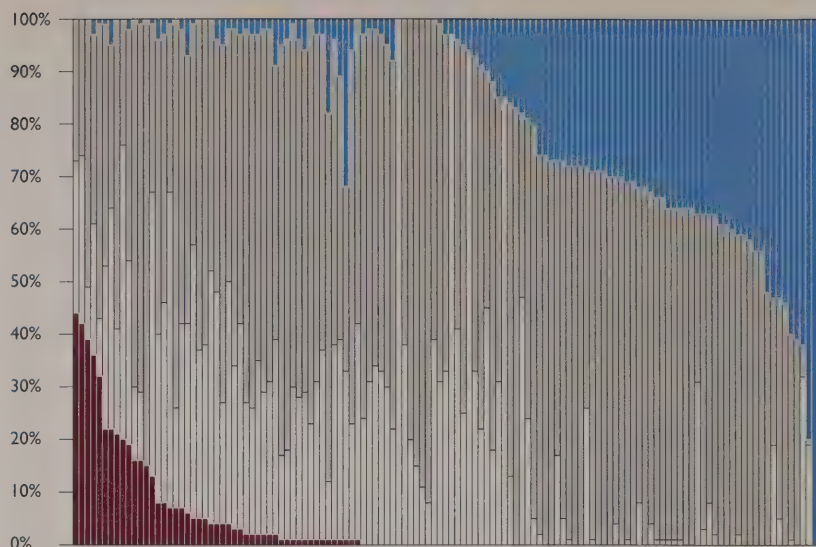
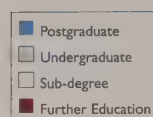


**TABLE 3**  
**Distribution of**  
**Funding in Higher**  
**Education Institutions**



**TABLE 4**

**Distribution of Provision in Higher Education Institutions by Proportions of Numbers of Students**



## Access

A commitment to teaching is the common element underlying the missions of the great majority of institutions receiving HEFCE funding, but there is a wide variety of approach, practice and provision. Many institutions have put a strong emphasis on enhancing access and opportunity and stress the importance of serving the needs of the region in which they are located. Table 4 shows that 36 institutions offer a full range of provision from further education courses, funded by the Further Education Funding Council, to sub-degree,

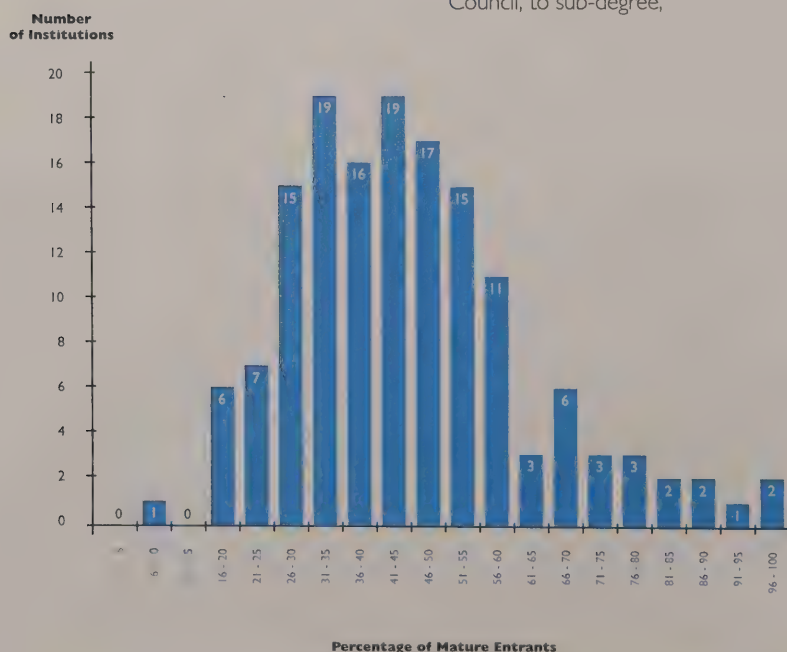
undergraduate, and postgraduate courses funded by the HEFCE.

Many institutions are committed to increasing participation and extending access to previously under-represented groups. In 1992-93, 45 per cent of new entrants were aged either over 21, for undergraduate courses or over 25 for postgraduate courses. The distribution of these mature entrants in institutions is shown in table 5. Institutions have also become increasingly flexible with regard to entry qualifications. In 1992-93, 24 per cent of undergraduates were admitted to institutions with qualifications other than A-level.

In 1992-93 32 per cent of all students in the sector were studying on a part-time basis. The Open University and Birkbeck College teach almost exclusively part-time students. Of the other institutions 36 have more than 30 per cent of their students studying part-time.

**TABLE 5**

**Distribution of Mature Entrants in Higher Education Institutions**





Several institutions concentrate on developing a range of courses to meet the professional and practical needs of different professions. The College of Guidance Studies, for example, provides training at all levels for the careers service; the Institute of Advanced Nursing provides advanced courses for the nursing and midwifery professions; and the School of Pharmacy educates and trains pharmacists and toxicologists.

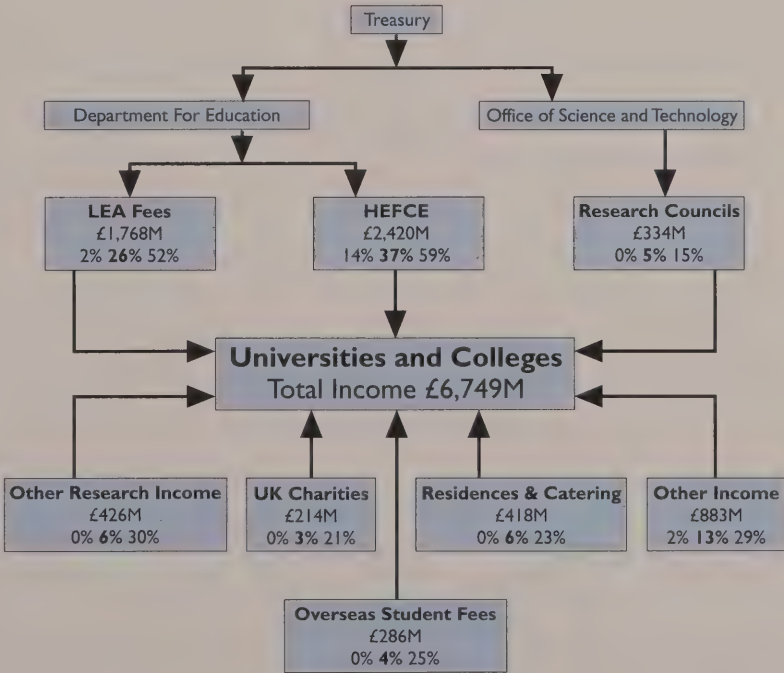
### Sources of Funding

Higher Education institutions attract income from a variety of sources. The relative proportions of income provided by these sources reflect the diversity of institutions' missions and the markets they serve.

Table 6 shows that in 1992-93 the total recurrent income of universities and colleges in the sector funded by the HEFCE was £6,749 million. Council grants amounted to £2,420 million or 37 per cent of the total. At the institutional level, the proportion of Council grant varied from 59 per cent at Rose Bruford College, to 14 per cent at the London Business School. Similarly, the amount received in publicly funded tuition fees ranged from 2 per cent of total recurrent income at the Royal Postgraduate

Medical School, to 25 per cent at Chester College of Higher Education. The London School of Economics received 25 per cent of its income in tuition fees paid by students from outside the European Community. Again, there were wide variations in the proportions of income received for research, with Oxford University receiving 15 per cent of its total income from the Research Councils. The School of Hygiene and Tropical Medicine received nearly half its total income from the Research Councils, charities and other bodies sponsoring research.

TABLE 6  
  
Sources of Funding  
for Universities and  
Colleges in 1992-93



The percentages given in each box represent the average proportions of total income for the sector (shown centred and in bold) and the range indicating lowest and highest proportions at institutional level (shown left and right).

Sources: UFC Form 3, PCFC Finance Return.



# Map of HEFCE-funded Institutions

This map shows the location of the 128 higher education institutions in England funded by the HEFCE. The 72 universities and the eight directly-funded schools of the University of London are shown in ■ The 48 colleges of higher education are shown in ■



## UNIVERSITIES

- 1 Anglia Polytechnic University
- 2 Aston University
- 3 University of Bath
- 4 University of Birmingham
- 5 Bournemouth University
- 6 University of Bradford
- 7 University of Brighton
- 8 University of Bristol
- 9 Brunel University
- 10 University of Cambridge
- 11 University of Central England  
in Birmingham
- 12 University of Central Lancashire
- 13 Coventry University
- 14 Cranfield University
- 15 De Montfort University
- 16 University of Derby
- 17 University of Durham
- 18 University of East Anglia
- 19 University of Essex
- 20 University of Exeter
- 21 University of Hertfordshire
- 22 University of Huddersfield
- 23 University of Hull
- 24 University of Humberside
- 25 University of Keele
- 26 University of Kent at  
Canterbury
- 27 Kingston University
- 28 University of Lancaster
- 29 University of Leeds
- 30 Leeds Metropolitan University
- 31 University of Leicester
- 32 University of Liverpool
- 33 Liverpool John Moores  
University
- 34 Loughborough University  
of Technology
- 35 University of Luton
- 36 University of Manchester
- 37 Manchester Metropolitan  
University
- 38 University of Newcastle  
upon Tyne
- 39 University of Northumbria  
at Newcastle
- 40 University of Nottingham
- 41 Nottingham Trent University
- 42 The Open University
- 43 University of Oxford
- 44 Oxford Brookes University
- 45 University of Plymouth
- 46 University of Portsmouth
- 47 University of Reading
- 48 University of Salford
- 49 University of Sheffield
- 50 Sheffield Hallam University
- 51 University of Southampton
- 52 Staffordshire University
- 53 University of Sunderland
- 54 University of Surrey
- 55 University of Sussex
- 56 University of Teesside
- 57 University of Warwick
- 58 University of the West of  
England, Bristol
- 59 University of Wolverhampton
- 60 University of York
- 61 UMIST

## COLLEGES

- 62 Bath College of HE
- 63 Bishop Grosseteste College
- 64 Bolton Institute of HE
- 65 Bretton Hall
- 66 Buckinghamshire College of HE
- 67 Canterbury Christ Church  
College
- 68 Cheltenham & Gloucester  
College of HE
- 69 Chester College of HE
- 70 College of Guidance Studies
- 71 College of Ripon & York  
St John
- 72 College of St Mark & St John
- 73 Dartington College of Arts
- 74 Edge Hill College of HE
- 75 Falmouth School of Art  
& Design
- 76 Harper Adams Agricultural  
College
- 77 Homerton College, Cambridge
- 78 Kent Institute of Art & Design
- 79 King Alfred's College,  
Winchester
- 80 La Sainte Union College of HE
- 81 Liverpool Institute of HE
- 82 Loughborough College of Art  
& Design
- 83 Nene College
- 84 Newman College
- 85 North Riding College
- 86 Ravensbourne College of  
Design & Communication
- 87 Rose Bruford College
- 88 Royal Northern College  
of Music
- 89 S. Martin's College
- 90 St Mary's College
- 91 Salford College of Technology
- 92 Southampton Institute of HE
- 93 Trinity & All Saints
- 94 Westhill College
- 95 West London Institute of HE
- 96 Westminster College, Oxford
- 97 West Surrey College of Art  
& Design
- 98 West Sussex Institute of HE
- 99 Winchester School of Art
- 100 Worcester College of HE

## London

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"> <li>■ City University</li> <li>■ University of East London</li> <li>■ University of Greenwich</li> <li>■ London Business School</li> <li>■ London Guildhall University</li> <li>■ Middlesex University</li> <li>■ University of North London</li> <li>■ South Bank University</li> <li>■ Thames Valley University</li> <li>■ University of Westminster</li> </ul> | <ul style="list-style-type: none"> <li>■ University of London</li> <li>■ Birkbeck College</li> <li>■ Goldsmiths College</li> <li>■ Imperial College of Science,<br/>Technology &amp; Medicine</li> <li>■ King's College London</li> <li>■ London School of Economics<br/>&amp; Political Science</li> <li>■ Royal Holloway, University<br/>of London</li> <li>■ Queen Mary and Westfield<br/>College</li> <li>■ University College London</li> </ul> | <ul style="list-style-type: none"> <li>■ Central School of Speech<br/>and Drama</li> <li>■ Institute of Advanced Nursing<br/>Education</li> <li>■ The London Institute</li> <li>■ Roehampton Institute</li> <li>■ Royal Academy of Music</li> <li>■ Royal College of Art</li> <li>■ Royal College of Music</li> <li>■ Trinity College of Music</li> <li>■ Wimbledon School of Art</li> </ul> |
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### *Recurrent Grant for 1994-95 and Students for 1993-94*

Higher Education Institutions	Figures in £000s				% Change in Grant from AY 1993-94	Students	
	Teaching Grant	Research Grant	Other Allocations	Total Recurrent Grant		Full-time and Sandwich	Part-time
Anglia Polytechnic University	23,575	268	1,622	25,465	4.5%	9,339	6,665
Aston University	11,586	3,882	1,377	16,844	1.0%	4,415	996
University of Bath	13,056	7,970	623	21,649	3.4%	5,119	1,387
Bath College of HE	5,796	506	185	6,487	3.0%	2,182	546
Bishop Grosseteste College	2,447	3	185	2,635	1.0%	767	152
University of Birmingham	36,622	21,480	2,797	60,899	3.7%	13,541	2,338
Bolton Institute of HE	11,501	88	510	12,098	3.7%	4,052	2,860
Bournemouth University	14,522	242	443	15,207	2.7%	7,215	2,101
University of Bradford	15,989	5,529	884	22,401	1.0%	6,350	759
Bretton Hall	4,363	0	162	4,525	1.4%	1,713	198
University of Brighton	24,281	2,080	525	26,885	4.1%	8,465	3,047
University of Bristol	29,863	17,197	2,644	49,704	1.0%	10,064	1,545
Brunel University	13,564	3,469	2,105	19,138	1.1%	5,104	1,320
Buckinghamshire College of HE	11,212	1	572	11,785	3.0%	4,951	2,030
University of Cambridge	37,887	41,632	-6,600	72,919	5.8%	14,621	1,440
Central School of Speech & Drama	1,574	0	258	1,831	1.8%	531	77
University of Central England	27,907	16	642	28,564	2.8%	9,625	6,710
University of Central Lancashire	28,923	817	640	30,379	3.3%	9,633	5,123
Canterbury Christ Church College	8,061	214	175	8,450	4.3%	3,897	3,606
Cheltenham and Gloucester CHE	13,221	605	394	14,220	2.6%	5,274	2,209
Chester College of HE	5,828	41	138	6,007	4.6%	2,694	1,884
City University	8,573	4,009	4,429	17,011	2.4%	4,395	1,439
The College of Guidance Studies	317	0	7	324	1.2%	64	161
College of Ripon & York St John	6,788	107	155	7,049	2.3%	2,602	747
College of St Mark & St John	5,029	3	214	5,246	2.7%	2,088	785
Coventry University	27,651	2,429	555	30,635	5.3%	10,379	3,758
Cranfield University	10,586	3,270	799	14,655	5.1%	2,373	524
Dartington College of Arts	1,302	50	17	1,370	1.6%	401	0
De Montfort University	35,770	1,996	659	38,426	3.0%	14,361	3,748
University of Derby	16,630	369	287	17,286	2.4%	7,369	2,852
University of Durham	19,465	9,095	1,238	29,799	3.7%	7,820	1,967
University of East Anglia	13,300	8,170	1,014	22,485	3.4%	6,002	917
University of East London	22,198	1,005	2,623	25,826	1.9%	8,213	3,139
Edge Hill College of HE	8,245	3	200	8,448	3.0%	3,573	1,048
University of Essex	9,687	5,355	470	15,512	2.4%	4,679	662
University of Exeter	19,406	8,570	1,178	29,155	1.3%	7,695	1,807
Falmouth School of Art & Design	1,842	0	84	1,926	2.4%	734	73
University of Greenwich	28,512	1,002	3,715	33,230	3.0%	11,295	4,278
Harper Adams Agricultural College	4,087	116	106	4,309	4.0%	1,277	46
University of Hertfordshire	27,898	1,210	2,016	31,123	2.4%	11,473	3,360
Homerton College, Cambridge	3,206	328	90	3,624	2.6%	949	230
University of Huddersfield	22,249	911	445	23,605	3.1%	8,620	3,898
University of Hull	16,688	6,108	1,596	24,392	1.2%	7,258	2,202
University of Humberside	20,910	248	891	22,049	2.6%	9,464	2,610
Institute of Advanced Nursing Education	1,457	0	267	1,724	4.6%	149	1,083
University of Keele	9,640	3,953	1,514	15,107	3.0%	5,380	1,451

Higher Education Institutions	Figures in £000s				% Change in Grant from AY 1993-94	Students	
	Teaching Grant	Research Grant	Other Allocations	Total Recurrent Grant		Full-time and Sandwich	Part-time
University of Kent at Canterbury	12,575	5,691	926	19,193	1.5%	6,258	994
Kent Institute of Art & Design	3,552	0	46	3,598	2.1%	1,377	187
Kingston University	25,827	1,074	2,555	29,456	2.3%	8,930	3,310
King Alfred's College, Winchester	6,159	1	158	6,318	2.9%	2,849	1,369
University of Lancaster	17,051	8,387	1,138	26,577	4.2%	7,578	2,372
La Sainte Union College of HE	4,091	58	105	4,254	1.5%	1,798	495
University of Leeds	41,345	20,617	2,821	64,783	1.8%	15,512	1,704
Leeds Metropolitan University	31,440	970	717	33,126	3.4%	9,726	8,059
University of Leicester	19,575	9,477	1,571	30,623	1.6%	8,068	2,619
University of Liverpool	34,119	17,191	2,168	53,477	1.0%	11,471	2,044
Liverpool Institute of HE	7,890	0	132	8,022	2.6%	2,979	991
Liverpool John Moores University	34,802	1,216	714	36,732	2.7%	12,051	5,809
University of London - Senate	57,425	52,871	37,345	147,641	3.8%	12,754	6,398
Birkbeck College	8,153	4,213	4,693	17,060	2.5%	474	4,661
Goldsmiths College	9,527	2,086	3,449	15,062	1.0%	4,069	733
Imperial College	20,333	22,849	7,223	50,405	3.2%	6,771	603
King's College London	20,974	14,736	5,190	40,900	3.2%	7,908	1,255
London Sch of Economics & Political Sci	5,403	7,496	2,221	15,120	1.0%	4,233	688
Queen Mary & Westfield College	14,389	6,822	3,529	24,739	1.0%	6,189	243
Royal Holloway, University of London	10,619	3,923	1,834	16,376	1.7%	4,405	304
University College, London	27,717	26,213	7,152	61,083	5.2%	10,836	1,186
London Business School	546	1,335	538	2,419	6.8%	448	331
London Guildhall University	17,464	435	2,489	20,388	1.7%	6,060	3,689
The London Institute	15,383	570	2,227	18,180	2.9%	5,585	2,807
Loughborough University of Technology	20,695	8,408	676	29,779	1.8%	8,164	1,020
Loughborough Coll of Art & Design	1,835	0	89	1,924	2.0%	675	43
University of Luton	14,795	9	277	15,081	2.9%	7,525	2,533
University of Manchester	43,363	28,264	3,820	75,447	2.8%	15,688	2,330
UMIST	13,571	9,998	563	24,131	1.9%	5,765	294
Manchester Metropolitan University	53,749	2,700	1,147	57,596	3.6%	17,885	8,871
Middlesex University	28,113	2,176	2,533	32,823	4.9%	12,945	2,181
Nene College	14,958	102	309	15,368	2.8%	6,805	2,481
University of Newcastle upon Tyne	32,282	16,663	1,572	50,516	2.2%	11,107	1,177
Newman College	2,182	0	165	2,347	1.0%	909	51
Norfolk Institute of Art & Design	1,094	0	10	1,103	2.6%	532	7
University of North London	21,674	898	3,011	25,583	1.6%	7,760	3,446
North Riding College	2,706	0	425	3,131	1.0%	931	121
University of Northumbria at Newcastle	32,387	1,525	837	34,750	3.2%	10,707	5,742
University of Nottingham	28,013	17,337	3,070	48,421	1.6%	10,289	2,232
Nottingham Trent University	39,253	1,277	1,013	41,543	2.8%	15,062	6,473
Open University	105,852	4,881	2,591	113,323	6.2%	428	107,005
University of Oxford	35,690	42,085	-8,386	69,389	5.8%	14,673	991
Oxford Brookes University	19,151	1,978	711	21,840	4.1%	8,092	3,850
University of Plymouth	32,991	2,391	648	36,030	5.1%	13,118	2,265
University of Portsmouth	26,433	2,867	558	29,858	5.4%	10,400	2,399
Ravensbourne College	1,682	0	217	1,898	1.6%	535	0



Higher Education Institutions	Figures in £000s				% Change in Grant from AY 1993-94	Students	
	Teaching Grant	Research Grant	Other Allocations	Total Recurrent Grant		Full-time and Sandwich	Part-time
University of Reading	20,044	11,310	1,208	32,562	1.4%	9,040	1,672
Roehampton Institute	12,490	1,176	1,582	15,248	1.2%	4,750	1,721
Rose Bruford College	1,081	0	119	1,200	1.2%	293	0
Royal Academy of Music	2,689	0	51	2,740	2.9%	524	0
Royal College of Music	2,372	0	44	2,416	3.7%	480	3
Royal College of Art	5,672	364	653	6,689	1.4%	709	37
Royal Northern College of Music	2,881	0	54	2,935	2.0%	559	0
S. Martin's College	6,140	83	577	6,800	4.1%	2,917	2,372
St Mary's College	5,315	0	468	5,783	3.4%	2,001	116
University of Salford	15,299	4,246	598	20,143	1.0%	6,215	897
Salford College of Technology	10,458	287	284	11,029	3.7%	3,596	3,599
University of Sheffield	33,341	16,659	2,120	52,120	2.0%	12,727	1,893
Sheffield Hallam University	41,326	2,257	891	44,474	3.4%	14,111	5,960
University of Southampton	25,364	16,128	1,631	43,122	2.5%	8,985	1,576
Southampton Institute of HE	18,358	24	750	19,132	2.8%	7,462	2,687
South Bank University	31,294	1,272	4,726	37,292	2.5%	12,385	7,358
Staffordshire University	25,611	1,023	543	27,177	3.0%	10,020	3,085
University of Sunderland	24,636	1,209	622	26,467	4.3%	9,947	3,222
University of Surrey	12,492	6,919	1,335	20,746	2.8%	5,118	1,879
University of Sussex	15,684	9,640	1,186	26,510	5.0%	7,345	832
University of Teesside	18,961	677	436	20,074	2.5%	6,912	2,768
Thames Valley University	18,396	297	1,932	20,625	2.9%	6,470	8,993
Trinity & All Saints	4,553	38	218	4,809	1.0%	1,815	166
Trinity College of Music	1,659	0	29	1,688	2.0%	405	4
University of Warwick	20,958	14,183	1,780	36,921	2.8%	8,940	3,908
Westhill College	2,697	0	64	2,761	1.8%	958	111
West London Institute of HE	7,227	520	788	8,535	1.0%	2,897	1,645
University of Westminster	29,995	1,654	4,614	36,263	3.6%	8,413	10,147
Westminster College, Oxford	3,346	0	149	3,494	2.7%	1,148	723
University of West of England	34,271	1,311	728	36,310	3.2%	11,851	5,889
West Surrey Coll of Art & Design	3,388	38	170	3,595	2.7%	1,545	98
West Sussex Institute of HE	6,434	3	119	6,557	2.7%	2,269	1,295
Wimbledon School of Art	1,187	209	122	1,518	2.6%	390	66
Winchester School of Art	1,519	97	19	1,635	3.0%	557	236
University of Wolverhampton	32,172	824	604	33,599	2.4%	12,681	9,898
Worcester College of HE	5,972	65	204	6,241	2.1%	2,299	1,455
Writtle Agriculture College	1,601	0	18	1,620	2.6%	627	49
University of York	12,449	8,018	503	20,970	3.1%	5,009	374
HE Courses at FE Colleges	53,625	0	1,083	54,707	3.9%	27,947	6,883
<b>Total</b>	<b>2,274,998</b>	<b>616,664</b>	<b>174,663</b>	<b>3,066,325</b>		<b>828,806</b>	<b>391,758</b>

Figures in this table may not sum due to rounding.



**In addition to the higher education institutions listed in the tables, the HEFCE distributes £54.7 million for higher education at the following 75 colleges of further education:**

Askham Bryan College of Agriculture  
 Bedford College of Higher Education  
 Berkshire College of Art & Design  
 Birmingham College of Food, Tourism & Creative Studies  
 Blackburn College  
 Blackpool & The Fylde College  
 Bournemouth & Poole College of Art & Design  
 Bracknell College  
 Bradford & Ilkley Community College  
 Brooklands College  
 Brunel College of Arts & Technology  
 Carlisle College  
 Chesterfield College of Technology & Arts  
 Chichester College of Technology  
 City College Manchester  
 City of Liverpool Community College  
 Cleveland College of Art & Design  
 Coalville Technical College  
 College of North West London  
 Cordwainers College  
 Coventry Technical College  
 Crawley College  
 Croydon College  
 Cumbria College of Art & Design  
 Dewsbury College  
 Doncaster College  
 Epsom School of Art & Design  
 Farnborough College of Technology  
 Gloucestershire College of Arts & Technology  
 Guildford College of Further & Higher Education  
 Halton College of Further Education  
 Hammersmith & West London College  
 Harlow College  
 Havering College of Further & Higher Education  
 Henley College, Coventry  
 Herefordshire College of Art & Design  
 Herefordshire College of Technology

Highbury College of Technology  
 Lackham College  
 Leeds College of Art & Design  
 Loughborough College  
 New College, Durham  
 North East Surrey College of Technology  
 North East Worcestershire College  
 Newcastle College  
 Newham Community College  
 North Lincolnshire College  
 Northbrook College of Design & Technology  
 Northumberland College of Arts & Technology  
 Oldham College  
 Peterborough Regional College  
 Rycotewood College  
 Salisbury College  
 Sandwell College of Further & Higher Education  
 Sheffield College  
 Solihull College  
 South Tyneside College  
 Southampton Technical College  
 Sparsholt College, Hampshire  
 St Helens College  
 Stockport College of Further & Higher Education  
 Suffolk College  
 Swindon College  
 Telford College of Arts & Technology  
 Thurrock College  
 Trowbridge College  
 Wakefield College  
 Walsall College of Arts & Technology  
 Warrington Collegiate Institute  
 Westminster College  
 West Thames College  
 Wigan & Leigh College  
 Wirral Metropolitan College  
 Worcester College of Technology  
 York College of Further & Higher Education



# The HEFCE

## *Council Members*

The following served on the Council during the year under review:



### **Chairman**

Mr Brandon Gough  
Director S G Warburg plc,  
Director De La Rue plc -  
appointed 19 April 1993.



Mr Robert Gunn  
Chairman  
Further Education Funding  
Council - retired 5 May 1994



### **Chief Executive**

Professor Graeme Davies



Professor Kay-Tee Khaw  
Professor of Clinical  
Gerontology  
University of Cambridge



Professor Sir John Cadogan  
Director General  
Research Councils -  
appointed 1 January 1994



Sir Idris Pearce  
Chairman  
Higher Education Funding  
Council for Wales



Professor Sir Colin Campbell  
Vice-Chancellor  
University of Nottingham



Sir David Phillips  
Chairman  
Advisory Board for the  
Research Councils - retired  
31 December 1993



Mr Michael Fallon  
formerly Parliamentary  
Under Secretary of State  
for Education



Sir Robert Scholey  
formerly Chairman  
British Steel plc



Professor Sir Brian Follett  
Vice-Chancellor  
University of Warwick



Professor Jack Shaw  
Deputy Governor, Bank of  
Scotland and Chairman, Scottish  
Higher Education Funding  
Council - retired 5 May 1994



Dr Rab Telfer  
Chairman  
Board of Governors, University  
of Teesside and formerly  
Chairman, BSI Standards



#### **Secretary to the Council**

Mr Finlay Scott



Miss Janet Trotter  
Director  
Cheltenham & Gloucester  
College of Higher Education

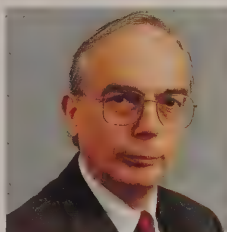


#### **Assessor**

Mr Roger Dawe  
Department for Education



Professor David Watson  
Director  
University of Brighton.



#### **Observers**

Professor John Andrews  
Chief Executive  
Higher Education Funding  
Council for Wales

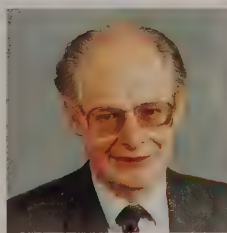
#### **Other Changes During the Year**

Sir Ron Dearing, Chairman,  
retired 19 April 1993

#### **Council Members appointed after 31 March 1994**



Mrs Joan Bingley  
Group Secretary, MAI plc -  
appointed 6 May 1994



Professor John Sizer  
Chief Executive  
Scottish Higher Education  
Funding Council



Dr John Strickson  
Principal  
North East Surrey College  
of Technology - appointed  
13 April 1994





# The HEFCE

**The HEFCE was established on 6 May 1992 under the terms of the Further and Higher Education (FHE) Act 1992. The HEFCE is a non-departmental public body operating within a policy and funding context set by the Government.**

The Council assumed responsibility for funding higher education in England on 1 April 1993, succeeding the Universities Funding Council and the Polytechnics and Colleges Funding Council.

The Council's main function is to administer grant provided by the Secretary of State for Education. The Council funds education, research and associated activities at universities and other higher education institutions. It also funds prescribed courses of higher

education at further education colleges, which receive their main public funding from the Further Education Funding Council.

## ***Accountability***

The formal relationship between the Council and the Department for Education is set out in a Financial Memorandum and a Management Statement.

The Secretary of State for Education is accountable to Parliament for the HEFCE's activities. Parliament also exercises oversight and scrutiny of the Council through the Comptroller and Auditor General, the head of the National Audit Office. The Comptroller and Auditor General is responsible for auditing the HEFCE's accounts and for examining the economy, efficiency and effectiveness of the HEFCE's use of resources.

*Council members gather outside Northavon House, the HEFCE's Bristol offices.*



The HEFCE's Chief Executive is the Accounting Officer for the funds made available to the Council by the Secretary of State. As Accounting Officer, the Chief Executive is required to appear before the Public Accounts Committee of the House of Commons and did so on 15 December 1993.

The HEFCE operates a policy of openness and transparency in its dealings with higher education institutions. All the funding methods have been published after extensive consultation, and allocations to institutions are published in detail with the underlying data having been provided by and verified with the institutions.

Responsibilities

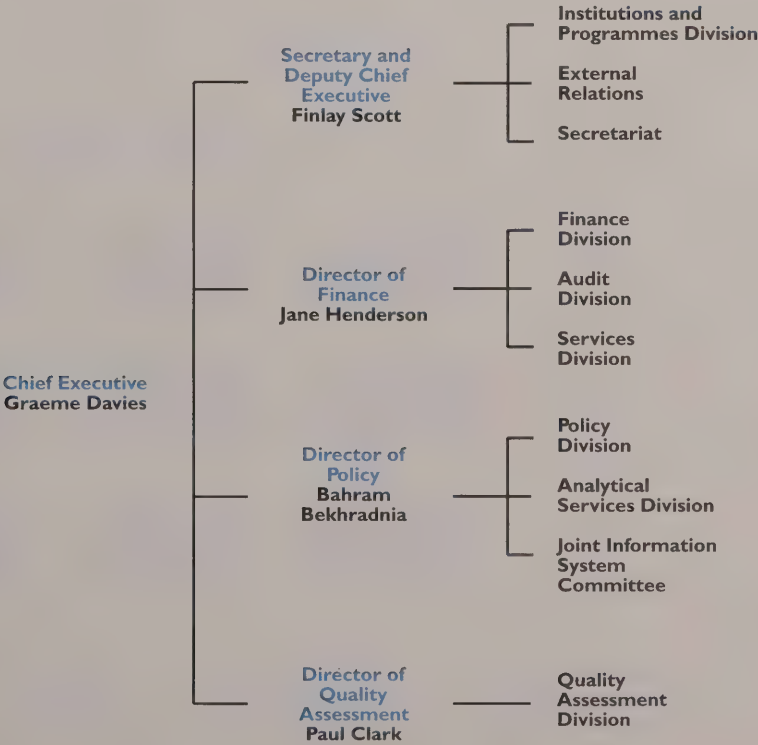
Council members, including the Chairman and Chief Executive, have collective responsibility for the

control and management of the HEFCE as a corporate body. The Council is responsible for developing policies and ensuring that projects, programmes and activities undertaken by the HEFCE are consistent with the overall provisions of the FHE Act and any guidance or directions issued by the Secretary of State.

Structure

The Council employs around 160 staff at its headquarters in Bristol. The directorate consists of the Chief Executive and four directors. The administrative structure of the Council is shown in the diagram below.

The Structure of the HEFCE



Officers in the Council's Institutions and Programmes Division (IPD) provide the main point of contact with institutions receiving funding from the Council. During 1993-94 IPD operated as four teams, each with responsibility for institutions within a geographical area, and for certain subjects and functions.

### ***Relationships with other bodies***

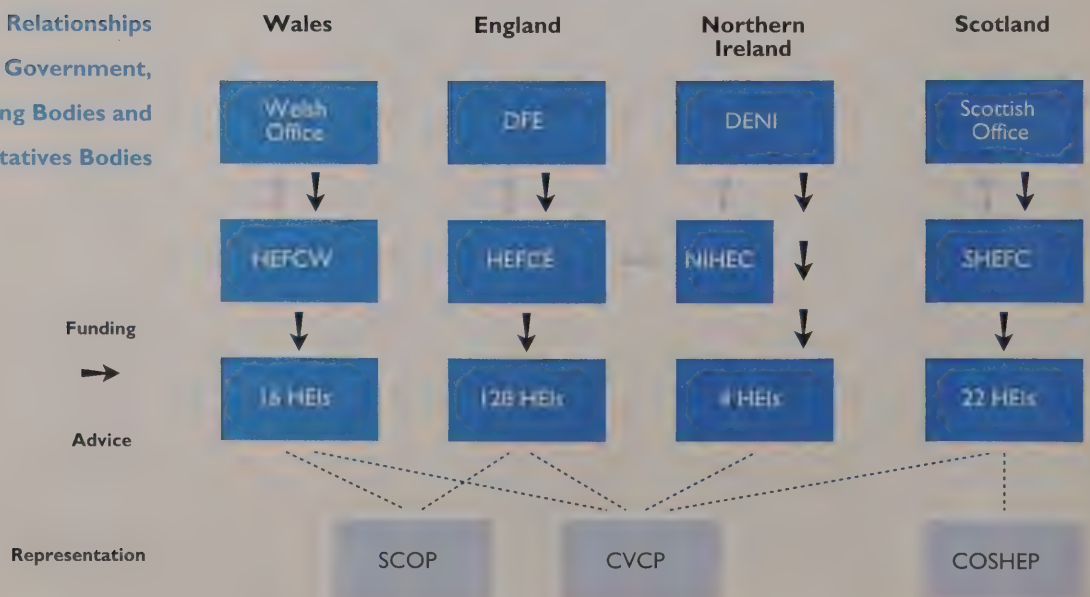
The HEFCE works closely with the other higher education funding bodies in the UK and the Further Education Funding Council. The higher education funding bodies have two joint committees and a number of joint working and advisory groups (see pages 46 and 47). The Council regularly consults with the institutions' representative bodies and collaborates with them and the other funding bodies on a number of

joint initiatives. The diagram below shows the funding and representative relationships between Government departments, funding bodies and representative bodies in the UK.

Under the terms of the FHE Act 1992, the Council provides advisory services to the Department of Education for Northern Ireland (DENI), the Northern Ireland Higher Education Council (NIHEC), and the Department of Agriculture for Northern Ireland (DANI). The relationship between the HEFCE, DENI and DANI is set out in a service level agreement between the three bodies.

The Council also consults and maintains relations with a large number of other bodies, including the Higher Education Quality Council, the Research Councils, subject associations, learned societies and professional bodies.

**Relationships between Government, Funding Bodies and Representatives Bodies**





## Key Events in 1993-94

The HEFCE published an operating plan for the year 1993-94 and a final report on the implementation of the plan in April 1994. Most of the events shown below are derived from the operating plan.

### April

- HEFCE's first Annual Conference held on 6 and 7 April in Birmingham.
- Mr Brandon Gough appointed as Chairman of Council to succeed Sir Ron Dearing on 19 April.
- Funding for the second phase of the Teaching and Learning Technology Programme announced.\*
- The funding councils announced their agreement on a range of activities to be supported by the Joint Information Systems Committee.\*
- Public Expenditure Survey submission for 1994-95 sent to the DFE.

### May

- Approach to the funding of continuing education announced.
- Funding announced to support the expansion of two-year diploma courses and increase the provision of higher education in areas where there is limited provision.

### June

- Institutions and others consulted on the framework for the next research assessment exercise.\*

### July

- Funding announced of special initiatives to support students with special needs and to increase participation of students from ethnic minorities in teacher training.

- Method for the funding of equipment announced.
- Financial Memorandum with institutions issued - to come into effect from 1 August 1993.
- Audit Code of Practice published.

### August

- Publication of a report by Professor Andrew Bain entitled *Private Sector Funding in Higher Education* on raising private sector funds for capital projects.\*

### September

- Methods for funding estate activities are announced.
- The funding councils agreed funding for the second phase of SuperJANET in collaboration with BT.\*

### November

- Publication of the Committee of Enquiry entitled *Review of the Academic Year* examining the way the academic year is structured and organised.\*\*
- The Secretary of State for Education announced on 30 November funding for higher education for the three years 1994-95 to 1996-97.

### December

- Institutions informed of the initial decisions by the Council on funding for 1994-95 after the Budget Statement.
- Announcement of the revised undergraduate medical student intake targets for 1994-95 after the Medical Manpower Standing Advisory Committee's recommendations.\*
- Joint Funding Council's Libraries Review Group Report published.
- Professor Graeme Davies, Chief Executive, appeared before the Public Accounts Committee.

### January 1994

- Joint statement published by the HEFCE and the Higher Education Quality Council (HEQC) setting out their respective responsibilities in the field of quality assurance.

### February

- Assessment of the quality of education in secondary initial teacher training completed in 35 institutions assessed by the HEFCE in conjunction with the Office for Standards in Education (OFSTED).
- Framework for securing greater accountability for funding for research announced - to take effect from 1994-95.
- Value for Money Steering Group set up.\*

### March

- Recurrent grant to institutions for the academic year 1994-95 announced.
- Quality assessments of education completed in chemistry, history, law and mechanical engineering.
- Quality assessments in applied social work, architecture, business and management studies and computer studies and computer science began.
- The Audit Service completed annual programme of visits to 47 institutions.

\* Joint action by funding bodies.

\*\* Joint action by funding bodies and institutions' representative bodies.



# Summary Statement of Accounts

**Period from 6 May 1992 to  
31 March 1994**

## ***Status of Summary Statement of Accounts***

1. This is a summary statement of accounts and foreword for the period ended 31 March 1994: the full statement of accounts and foreword has been laid before Parliament and has been published by HMSO. The income and expenditure account for the period ended 31 March 1994 has been extracted from the full statement of accounts.

## ***Audit Report***

2. The full statement of accounts has been audited by the Comptroller and Auditor General, who expressed an unqualified audit opinion thereon. The Comptroller and Auditor General had no observations to make on the full statement of accounts.

## ***Review of Activities***

3. The main activities of the Council during the period up to 1 April 1993 were described in last year's annual report. The main activities during the year ended 31 March 1994 are described on pages 1, 4-27 and 40-43 of this report.

## ***Assessment of Progress and Future Developments***

4. Assessment of progress and a review of future developments are given on pages 1, 4-27 and 43 of this report.

## ***Events since the end of the Financial Year***

5. Events since the end of the financial year are described on pages 4-11, 13, 15, 16-27 and 34-36 of this report.

## ***Council Membership***

6. The members who served on the Council throughout the financial year are given on pages 38 and 39.
7. The changes in the membership of Council are given on pages 38 and 39.

# Higher Education Funding Council for England

## INCOME AND EXPENDITURE ACCOUNT

for the period 6 May 1992 to 31 March 1994

£000

### Gross Income

HMG Grants Received		
Grant-in-aid from DFE		
Recurrent Funding	2,462,259	
Major Capital	51,900	
Minor Capital & Equipment	267,081	
Access Funds	19,031	
Animals (Scientific Procedures) Act	1,406	
Council Administration Costs	10,533	2,812,210
Transfer from Deferred Grant Account		505
Income from Activities	297	
Transfers from DFE	8,594	
Funding from other Councils re joint initiatives	2,852	
Other Operating Income	1,062	12,805
		2,825,520

### Expenditure

Grants paid to Institutions		
Recurrent Expenditure	2,453,314	
Major Capital	71,321	
Minor Capital & Equipment	262,676	
Access Funds	19,031	
Royal College of Art - Bursaries	2,218	
Animals (Scientific Procedures) Act	1,302	2,809,862
Council Administration Costs		
Staff costs	4,705	
Depreciation	505	
Other	6,621	11,831
		2,821,693
Operating Surplus for the period on ordinary activities		3,827
Appropriations to DFE		965
Retained Surplus carried forward		2,862





# HEFCE Committees

## *Joint Information Systems Committee*

Jointly with SHEFC, HEFCW  
and DENI

Chairman

**Professor John Arbuthnott**

Principal and Vice-Chancellor,  
University of Strathclyde

Members

**Mr Michael Aldrich**

Chairman, Board of Governors,  
University of Brighton

**Ms Lynne Brindley**

British Library of Political & Economic  
Science

**Dr James Carden**

Assistant General Manager,  
Management Services Division, Bank  
of Scotland

**Professor Alistair Chalmers**

University of Sussex

**Professor Anthony Clementson**

Managing Director, Innova-Link Ltd

**Professor Jeffery Collins**

Chairman, Edinburgh Parallel  
Computing Centre

**Professor John Darby**

Assistant Principal, Napier University

**Professor Peter Ford**

Pro Vice-Chancellor,  
University of Nottingham

**Dr David Fussey**

Vice-Chancellor,  
University of Greenwich

**Mr Derek Law**

King's College London

**Dr John Martin**

University of Wales College  
of Cardiff

**Dr Steve Stott**

University of Hertfordshire

**Professor Michael Tedd**

University College of Wales

## *Joint Medical Advisory Committee*

Jointly with SHEFC and HEFCW

Chairman

**Professor Michael Bond**

Vice-Principal, University of Glasgow

Members

**Professor Ingrid Allen**

Queen's University Belfast

**Professor Thomas Bolton**

St George's Hospital Medical School

**Professor Robert Boyd**

Dean of Medical School,  
University of Manchester

**Professor David Carter**

University of Edinburgh

**Professor Rosemary Crow**

University of Surrey

**Mr Michael Griffith**

HEFCW Council Member

**Professor Marian Hicks**

Science Director,

United Biscuits UK Ltd

**Dr Paula Kilbane**

NIHEC Council Member

**Mr Graeme Millar**

Director, Graeme Millar Ltd

**Professor Sir Keith Peters**

University of Cambridge

**Sir Robert Scholey**

HEFCE Council Member

**Professor Frederick Smales**

London Hospital Medical College

**Professor Nigel Stott**

University of Wales College of  
Medicine

**Sir Richard Sykes**

Deputy Chairman and Chief  
Executive, Glaxo Holdings Plc

## *Audit Committee*

Chairman

**Dr Rab Telfer**

HEFCE Council Member

Members

**Mr Michael Fallon**

HEFCE Council Member

**Mrs Deborah Goodwin**

Touche Ross

**Dr Peter Knight**

Vice-Chancellor, University of Central  
England in Birmingham

**Sir Robert Scholey**

HEFCE Council Member

## *Quality Assessment Committee*

Chairman

**Professor David Watson**

HEFCE Council Member

Members

**Mr Patrick Coldstream**

Director, Council for Industry and  
Higher Education

**Mrs Catherine Cunningham**

Director, Graduate School of  
International Business,  
University of Bristol

**Professor Janet Finch**

Pro Vice-Chancellor,  
University of Lancaster

**Professor Derek Fraser**

Vice-Chancellor,  
University of Teesside

**Professor Diana Green**

Pro Vice-Chancellor,  
University of Central England in  
Birmingham

**Mr John Holmes**

Chairman, XAAR Inkjet  
Technologies Limited, Cambridge

**Mr Michael Sadler-Forster**

Principal, Winchester School of Art

**Mrs Valerie Stead**

Deputy Vice-Chancellor,  
University of Greenwich

**Professor Michael Sterling**

Vice-Chancellor, Brunel University

**Dr Rab Telfer**

HEFCE Council Member

**Conservatoires  
Advisory Group**

Chairman

**Sir John Tooley**

formerly General Director,  
Royal Opera House

Members

**Professor Kenneth Barker**

Vice-Chancellor,  
De Montfort University

**Sir John Burgh**

President,  
Trinity College, Oxford

**Dr John Hosier**

formerly Principal,  
Guildhall School of Music

**Professor Kay-Tee Khaw**

HEFCE Council member

**Mr Robert Lloyd**

formerly President,  
British Youth Opera

**Professor George Pratt**

Huddersfield University

**Mr John Skae**

Independent Management Consultant

**Mr Edward Smith**

Chief Executive, City of Birmingham  
Symphony Orchestra

**Ms Jillian White**

Director of Music, National Youth  
Orchestra of Great Britain

**Advisory Committee  
for Church Colleges**

Chairman

**Rt Revd Alan Chesters**

Bishop of Blackburn

Members

**Mr Geoffrey Duncan**

Board of Education of the General  
Synod of Education of the Church  
of England

**Ms Ena Evans**

Headteacher, King Edward Sixth High  
School for Girls, Birmingham

**Dr Bryan Loughrey**

Director of Research, Roehampton  
Institute

**Rt Revd Vincent Malone**

Higher Education Committee of the  
Catholic Bishops' Conference of  
England & Wales

**Professor Gordon McGregor**

Council of Church & Associate  
Colleges

**Mr Derek Robson**

Board of Management for Methodist  
Residential Schools

**Dr Gerard Turnbull**

Principal, Trinity & All Saints College  
Catholic Education Service

**Revd Dr Kenneth Wilson**

Principal, Westminster College,  
Oxford

In addition to the committees listed,  
the HEFCE has the following working  
and advisory groups:

**Research Advisory Group**

Chairman

**Professor Graeme Davies**

**Teaching and Learning  
Advisory Group**

Chairman

**Professor Sir Colin Campbell**

**Libraries and Related Provision  
Review Group**

Jointly with DENI, SHEFC and  
HEFCW

Chairman

**Professor Sir Brian Follett**

**Joint Performance Indicators  
Working Group**

Jointly with SHEFC, DENI and  
HEFCW, Chairman

**Professor Michael Sterling**

**Advisory Group on Access and  
Participation**

Chairman

**Mr Bahram Bekhradnia**





## Abbreviations

ASC	Academic Subject Category
CHES	Centre for Higher Education Studies
COSHEP	Committee of Scottish Higher Education Principals
CR	Commercial and Industrial Research Funds
CTI	Computers in Teaching Initiative
CVCP	Committee of Vice-Chancellors and Principals
DANI	Department of Agriculture for Northern Ireland
DENI	Department of Education for Northern Ireland
DevR	Development Research Funds
DFE	Department for Education
FHE Act	Further and Higher Education Act 1992
GR	Generic Research Funds
HEFCE	Higher Education Funding Council for England
HEFCW	Higher Education Funding Council for Wales
HEQC	Higher Education Quality Council
IPD	Institutions and Programmes Division
IT	Information Technology
ITT	Initial Teacher Training
JANET	Joint Academic Network
JISC	Joint Information Systems Committee
MASN	Maximum Aggregate Student Number
NIHEC	Northern Ireland Higher Education Council
OFSTED	Office for Standards in Education
PCFC	Polytechnics and Colleges Funding Council
QAC	Quality Assessment Committee
QAD	Quality Assessment Division
QR	Quality and Volume Research Measure
SCOP	Standing Conference of Principals
SHEFC	Scottish Higher Education Funding Council
TLTP	Teaching and Learning Technology Programme
UFC	Universities Funding Council
UKERNA	United Kingdom Education Networking Association

## Acknowledgements

The HEFCE wishes to thank all institutions who supplied photographs for inclusion in this Annual Report.

Photographs from the following institutions were used in the report:

Birkbeck College, College of St Mark & St John, Cranfield University, University of East Anglia, University of Birmingham, De Montfort University, University of Exeter, University of Greenwich, Harper Adams Agricultural College, University of Hertfordshire, Imperial College of Science Technology and Medicine, University of Kent, University of Lancaster, University of Leeds, University of Liverpool, Liverpool John Moores University, Liverpool Institute of Higher Education, London Hospital Medical College, The London Institute, University of Manchester, Manchester Metropolitan University, Middlesex University, Nene College, University of Newcastle upon Tyne, University of Nottingham, University of Oxford, University of Plymouth, University of Portsmouth, Royal Northern College of Music, University of Southampton, Staffordshire University, University of Sunderland, University of Surrey, University of Teesside, Thames Valley University, University of Westminster.

Additional photographs were taken by  
Martin Haswell and Geoff Onyett.

## Conventions

The Academic Year indicates the period 1 August to 31 July.

The Financial Year indicates the period from 1 April to 31 March.

Annual periods in this report generally relate to the Academic Year, except in the section 'Strengthening the Estate' which refer to the Financial Year.

Figures have been rounded where appropriate.

Financial and numerical data are correct at the time of going to press (July 1994), but may be subject to change.

The Accounts of the HEFCE are published by HMSO.

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The title and source of documents mentioned in the text, are given below.

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### Published by the CVCP

*Statement of Recommended Practice: Accounting in Higher Education Institutions*, June 1994 (Ref ISBN 0 948890 36 3)



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TELEPHONE 0272 317317  
FAX 0272 317463

NORTHAVON HOUSE  
COLDHARBOUR LANE  
BRISTOL  
BS16 1QD